CONTRACT NO. LOG MSSP 2024-06-082-MGF

SUPPLY, DELIVERY, CONSTRUCTION, INSTALLATION, TESTING AND COMMISSIONING OF 69KV USON SWITCHING STATION PROJECT PR No. HO-PIG24-002 / PB240116-AM00429

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into in Quezon City, Philippines, by and between:

The NATIONAL **POWER** CORPORATION. government-owned and controlled corporation duly organized and existing under and by virtue of Republic Act No. 6395, as amended, with its principal office address at Gabriel Y. Itchon Senator Miriam P. Defensor-Santiago Avenue Building. (formerly BIR road) corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its President and CEO, MR. FERNANDO MARTIN Y. ROXAS who is duly authorized to represent it in this transaction, hereinafter referred to as NPC:

- and -

POWER DIMENSION INC., a corporation duly organized and existing under and by virtue of the laws of Republic of the Philippines with office address at 132 Purok 5 Maharlika Hi-way, Barangay Salugan, Camalig, Albay Philippines, represented by its Business Development Manager, MR. ALDRIN A. MERCED, who is duly authorized to represent it in this transaction, hereinafter referred to as CONTRACTOR.

WITNESSETH: That -

WHEREAS, on 31 January 2024, NPC posted the Invitation to Bid for the Public Bidding for the Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project;

WHEREAS, only one (1) prospective bidder secured the bidding documents and participated in the bidding conducted on 14 March 2024 on the aforesaid undertaking;

WHEREAS, CONTRACTOR's bid offer was considered as the single calculated and responsive bid;

WHEREAS, NPC accepted the said bid of the CONTRACTOR;

NOW, THEREFORE, in view of the foregoing premises and for and in consideration of the mutual covenants and stipulations hereinafter

Contract between NPC and Power Dimension Inc. Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project Contract No. LOG MSSP 2024-06-082-MGF

AFG-LOG-007.F01 Rev. No. 0 Sheet 1 of 14

FERNÁNDO MARTÍN Y: ROXAS President and CEO BY:

ice President, Admin and Finance

CRISANTO V. HILARIO

President Admin and Finance

provided, the parties hereto have agreed as follows:

ARTICLE I DOCUMENTS COMPRISING THE CONTRACT

The following documents are hereby incorporated and made part of this Contract as though fully written out and set forth herein insofar as they are not inconsistent with the terms hereof:

- 1. Bidding Documents for the Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project under PR No. HO-PIG24-002 / PB240116-AM00429:
- Supplemental/Bid Bulletin Nos.1 & 2 dated 13 & 29 February 2024;
- Post Qualification Report dated 25 March 2024:
- Bid Opening/Evaluation Report dated 15 March 2024;
- 5. CONTRACTOR's bid proposal dated 13 March 2024;
- 6. Notice of Award dated 07 June 2024;
- 7. Notice to Proceed; and
- 8. The Performance Security to be filed by CONTRACTOR in accordance with this Contract.

The documents mentioned above shall collectively be referred to as "Contract Documents".

In the event that there is any discrepancy/inconsistency between the provisions of the Contract and the Contract Documents mentioned above. the latter shall govern. Should there inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

ARTICLE II SCOPE OF WORK

The scope of work shall cover but not limited to the following:

Architectural Works

- 1. Furnishing and Installation of control house, guardhouse and pump house masonry works, floor and wall finishes, ceiling and plumbing system, fenestration, tinsmith, carpentry, miscellaneous, painting and varnishing works; and
- 2. All other works and services including those not specifically

Contract between NPC and Power Dimension Inc. Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project Contract No. LOG MSSP 2024-06-082-MGF

AFG-LOG-007.F01 Rev. No. 0 Sheet 2 of 14

Civil Works

Business Development Manager

President, Admin and Finance

CRISANTO V. HILARIO

ALDRIN A. MERCED

BY:

- 1. Mobilization, demobilization, clean-up, provision of temporary office & housing and storage, and all miscellaneous works requires for the implementation of the project;
- 2. Site development and grading to required elevations of designated area/equipment location for switchyard equipment and structures in accordance with the details shown in the bid drawings:
- 3. Design and construction of switching station reinforced concrete foundation for gantry and switchyard structures. calculations and detailed drawing shall be submitted for NPC's review and approval prior to construction;
- 4. Complete construction of concrete pavement, gutters, concrete walks including aggregate sub-base course for proper bedding as shown in the bid drawings:
- 5. Compete construction of cable trenches as indicated in the bid drawings:
- 6. Complete construction of slope protection works (retaining wall and grouted riprap) indicated or as shown in the bid drawings:
- 7. Complete construction (erection/installation) of perimeter lighting foundation, perimeter fence, seclusion fence, vehicular and pedestrian gate;
- 8. Complete construction of guardhouse, pump house and control house:
- 9. Complete construction of drainage systems and appurtenant structures:
- 10. Complete construction of elevated water storage tank;
- 11. Laving of gravel at the switchyard area; and
- 12. All other works and services including those not specifically detailed herein but are required to fully complete the project

Electrical Works

- 1. Supply, delivery, installation, test and commissioning of the following substation equipment:
 - a. Power Circuit Breakers:
 - b. Disconnect Switches:
 - c. Main Control Switchboards:
 - d. Surge Arresters;
 - e. Current Transformers:
 - f. Voltage Transformers;
 - g. Power, Control and Instrumentation Cables:
 - h. Switching station Steel Structures;
 - Installation Materials including High voltage buswork, insulator assemblies, conductors, hardwares, connectors, overhead ground wires, etc.;
 - j. Grounding System:
 - k. AC & DC Station Auxiliary Switchboard;
 - Storage Batteries: ١.

Contract between NPC and Power Dimension Inc. Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project

Contract No. LOG MSSP 2024-06-082-MGF

AFG-LOG-007.F01 Rev. No. 0

Sheet 3 of 14

NATIONAL POWER CORPORATION

SIGNED IN THE PRESENCE OF:



Admin and Finance

President.

CRISANTO V. HILARIO

FERNANDO MARTIN Y. ROXAS

President and CEO

Accessories: control and instrumentation cables:

m. Electronic Billing Meter and Accessories

2. Supply, delivery, installation, test and commissioning of Line Protection System:

3. Supply, delivery, installation, test and commissioning of Bus Protection System:

- 4. Supply, delivery, installation and test of the connection to the 69kV Transmission Line:
- 5. Supply, delivery, installation, test and commissioning of Telephone System;
- 6. Supply, delivery, installation, test and commissioning of Intercom System;
- 7. Supply, delivery, installation, test and commissioning of CCTV Surveillance System:
- 8. Supply, delivery, installation, test and commissioning of VSAT System:
- 9. Supply, Installation and Test of Lighting & Power System and its
- 10. Supply and installation of cable trays, including supports and accessories:
- 11. Supply, laying, tagging, bundling, termination and test of power,
- 12. Supply and installation of embedded and/or exposed electrical metallic/non-metallic conduits, boxes, fittings and accessories for power and control cables:
- 13. Processing of permits/documents necessary for the application of electrical connection distribution utility for switching station use;
- 14. All other works and services including those not specifically detailed herein but are required to fully complete the project.

Mechanical Works

- 1. Well drilling, Well development and pumping test with a minimum depth of approximately 20m, 50mm Ø well casing and pump suction pipe installation and well disinfection:
- 2. One (1) unit of convertible jet pump, 2.6m3/hr (11.5 gpm)
- 3. One (1) unit of elevated water tank with a capacity of not less than 900 liters (237 gal);
- 4. Two (2) units of Wall Mounted Split Type, Inverter Type, Air Conditioner of 12,000 kJ/hr minimum cooling capacity for Switchgear/Auxiliary Room, complete with its mounting accessories and controls:
- 5. Two (2) units of Wall Mounted Split Type, Inverter Type, Air Conditioner of 20,000 kJ/hr minimum cooling capacity for Control/Relay Room, complete with its mounting accessories and controls:
- 6. Two (2) units of Wall Mounted Exhaust Fan, 150 m³/hr minimum capacity for Restroom and Utility Area, complete with its mounting accessories and controls;
- 7. One (1) unit of Wall Mounted Exhaust Fan Explosion Proof, 450 m3/hr minimum capacity for Battery Room, complete with its

Business Development Manager

President and CEO

mounting accessories and controls;

8. One (1) lot of Domestic Water Supply Piping materials, valves, including pipe fittings, gaskets, flanges, bolts and nuts, pipe supports, excavation and backfilling works for embedded pipes and other incidentals to complete the domestic water supply piping system;

9. Four (4) units of Portable Type Fire Extinguisher, Clean Agent (HCFC or Halotron I Type). 7.1 kg. (15.5 lbs), wall-hung type and UL/FM approved to be installed in designated areas as shown on the drawings; and

10. All other works and services required to complete the project.

CONTRACTOR shall, in accordance with the provisions of, and subject to the conditions contained in the Contract Documents, fully and faithfully furnish all superintendence, labor, materials, supplies, tools and equipment (in accordance with the requirements of the Technical Specifications) for the Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project.

ARTICLE III COMMENCEMENT AND COMPLETION PERIOD

The CONTRACTOR shall complete the works as herein specified within Three Hundred (300) calendar days. The contract period is inclusive of twenty (20) rainy/unworkable days, considered unfavorable for the execution of works at the site. The number of calendar days shall be counted from the date of effectivity of the Notice to Proceed.

The project is located at Brgy. Buenavista, Uson, Masbate.

ARTICLE IV PAYMENT

For and in consideration of the WORK to be undertaken by CONTRACTOR as specified in the preceding Article II hereof, NPC shall pay the CONTRACTOR in Philippine Currency and in accordance with the Contract Documents, the unit and lump sum prices hereof is the total amount of and not exceeding PHILIPPINE PESOS ONE HUNDRED FIVE MILLION EIGHT HUNDRED FORTY THOUSAND THREE HUNDRED FOURTEEN PESOS AND 51/100 (PHP 105,840,314.51).

All forms of taxes, such as value added tax (VAT) including municipal licenses and permits, and others that may be imposed by the Philippine Government, or any of its agencies and political subdivisions in connection with the Contract shall be for the account of the CONTRACTOR.

ARTICLE V EXTENSION OF CONTRACT

Contract between NPC and Power Dimension Inc. Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project Contract No. LOG MSSP 2024-06-082-MGF

AFG-LOG-007.F01 Rev. No. 0 Sheet 5 of 14

President, Admin and Finance CRISANTO V. HILARIO

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SIGNED IN THE

BY:

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No extension of contract time shall be granted the CONTRACTOR due to (i) ordinary unfavorable weather conditions; (ii) inexcusable failure or negligence of CONTRACTOR to provide the required supplies, materials or equipment; and (iii) when the reason given for the extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of contract documents agreed upon by the parties before contract perfection.

NPC shall not be liable for any claim associated with the extension of contract time unless it has examined the facts as well as the extent of delay and has agreed in writing that the CONTRACTOR is entitled for an extension of time.

ARTICLE VI ENTIRE CONTRACT

This contract is for one whole, complete work. Partial payments made by NPC and/or the use of parts of the work or its equivalent shall not constitute as acceptance of any part of the work prior to its completion and final acceptance in writing by NPC.

ARTICLE VII CONTRACTOR'S LIABILITY

Parties hereby agree that the employees CONTRACTOR are not employees of NPC. NPC shall not in any way be liable or responsible for any personal injury or damages, including death sustained or caused by any of the employees of the CONTRACTOR, including its sub-contractor, agent, or supplier, whether or not occurring during the performance of their duties. The CONTRACTOR agrees and binds itself to indemnify NPC for whatever injury or damages caused or occasioned by the failure, negligence or conduct of the CONTRACTOR and/or its employees, sub-contractors, agents, suppliers or consultants arising out of in connection with or on the occasion of the performance of the Contract. The CONTRACTOR shall, at all times, stand solely liable and/or responsible for the enforcement of and compliance with all existing laws, rules and regulations; and binds itself to save and hold NPC free and harmless from any and all liability in respect thereof and/or arising therefrom and/or by reason of this Contract and its implementation.

ARTICLE VIII RESPONSIBILITY OF THE CONTRACTOR

The CONTRACTOR shall assume full responsibility for the entire contract work until its final acceptance by NPC and shall be held responsible for any damage or destruction of works until final acceptance.

President | Admin and Finance SRISANTO V. HILARIO

President and

ARTICLE IX NON-ASSIGNMENT AND NO SUBCONTRACT

The CONTRACTOR shall not, without the written approval of NPC, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contracting, or any other disposition, shall be sufficient ground for NPC to terminate or cancel this Contract motu proprio, without need of judicial action. Should NPC give its written approval, such consent shall not relieve the CONTRACTOR of its responsibilities under the Contract. The CONTRACTOR shall ensure that the terms and conditions of any sub-contract shall comply and conform with the terms and conditions of this Contract. The CONTRACTOR shall be responsible for the observance by the sub-contractor of the terms and conditions of this Contract.

If any portion of the project sub-contracted is not performed faithfully in accordance with the contract, the sub-contractor shall be removed or replaced immediately upon the written request of NPC, provided, however, that any failure of NPC to make such request shall not relieve the CONTRACTOR of its obligations under the contract. NPC shall not be responsible for the delays or costs incurred by the CONTRACTOR because of the disapproval or removal of the sub-contractor, or because of the late submission of its approval.

ARTICLE X AGREEMENT MODIFICATION

No modification, alteration or waiver of any provision of this agreement shall be binding upon the Parties unless evidenced by a written amendment signed by the Parties.

ARTICLE XI SUSPENSION OF WORK

NPC or its duly authorized representative shall have the authority to suspend the work, wholly or partly, by written order for period/s as may be deemed necessary due to force majeure, fortuitous event, failure on the part of the CONTRACTOR to correct bad working conditions which are unsafe for workers or third parties, failure to carry out valid orders given by NPC, failure to perform any provisions of this contract, and due to adjustment of plans to suit field conditions as found necessary by NPC during construction. The CONTRACTOR shall immediately comply with work suspension, either wholly or partly.

ARTICLE XII PRE-TERMINATION

Notwithstanding any provision to the contrary, NPC has the right to terminate, cancel and/or rescind this contract motu proprio, without need of judicial action, in case of breach thereof by the CONTRACTOR, by

FERNANDO MARTIN Y. ROJ President and CEO giving at least ten (10) day written notice, which shall be final and binding on all parties. Upon receipt of NPC's notice, the CONTRACTOR cannot remove, withdraw or pull-out any equipment, machinery, tool, material, and supply brought to the project site without the written approval of NPC.

Any misrepresentation made by the CONTRACTOR in the submission of documents, or suppression of material facts, which if known could have disqualified the contractor gives NPC the immediate right or recourse to motu proprio, without need of judicial action, rescind, abrogate or otherwise terminate the Contract.

Within thirty (30) days after termination, cancellation or rescission of this Contract, the Parties shall settle their respective accountabilities as of the date of termination, cancellation, or rescission, including the refund of any and all advances made, plus legal interest from the date of receipt of the amount or amount advanced.

ARTICLE XIII REMEDY AND RELIEF

Should there be any dispute or controversy in connection with this Contract, the Parties, as far as practicable, shall settle it amicably. In the event that such dispute or disagreement be not resolved to the parties' satisfaction, the matter shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law". Provided, however, that disputes within the competence of the Construction Industry Arbitration Commission shall be submitted thereto, Arbitration proceedings shall be without prejudice to the right of the NPC to rescind or terminate this Contract.

Should NPC be constrained to resort to court action to enforce or safeguard its rights and interests under this Contract, the CONTRACTOR shall be liable to NPC for attorney's fees in the amount equivalent to twenty percent (20%) of the sum total claimed in the complaint, exclusive of other damages and the expenses of litigation.

In case of dispute or disagreement arises between NPC and the CONTRACTOR regarding the manner by which the latter is performing works, the CONTRACTOR shall follow the instruction of NPC relative thereto, otherwise, the CONTRACTOR shall have no right to ask for arbitration or go to court for relief.

FERNANDO MARTINY
President and CE

ARTICLE XIV
PERFORMANCE SECURITY

To guarantee the faithful performance of the CONTRACTOR's obligation under this Contract, the CONTRACTOR shall post a performance security which shall remain valid and effective during the contract duration.

- a. Cash, Manager's/Cashier's Check, Bank Draft/Guarantee issued by a Universal or Commercial Bank or Irrevocable Letter of Credit issued by a Universal or Commercial Bank. Provided however, that it shall be confirmed or authenticated by a reputable local Universal or Commercial Bank if issued by a Foreign Bank equivalent to Ten Percent (10%) of the contract price.
- b. Surety Bond callable upon demand and penal in nature issued by a Surety or Insurance Company duly certified by the Insurance Commission as authorized to issue such security which shall be Thirty Percent (30%) of the total contract price.

The Insurance Company that will issue Performance Security must be accredited by the Insurance Commission and acceptable to the National Power Corporation.

The performance security shall be valid for the duration of the contract and shall remain valid and effective until after sixty (60) days from NPC's final acceptance of the project, unless the contract duration is extended, in which case the validity of the performance security shall accordingly be extended.

This performance security_ shall also be answerable for any damages or penalties or any expenses that NPC may suffer as a result of the failure of the CONTRACTOR to perform its obligation under this Contract including the defects liability period of one year. The Performance Security shall be entirely confiscated by NPC upon default of CONTRACTOR.

In case of surety bond, any extension of the contract time granted to the CONTRACTOR, shall be considered as given, and any modification of the contract shall be considered as authorized, as if with the expressed consent of the surety, provided that such extension or modifications falls within the effective period of the said surety bond. However, in the event that the extension of the contract time would be beyond the effective period of the surety bond first posted, it shall be the sole obligation of the CONTRACTOR to post an acceptable Performance Security within ten (10) calendar days after the contract time extension has been granted by NPC.

The performance security shall be discharged by NPC and return to the CONTRACTOR only after the required warranty security/guarantee

Contract between NPC and Power Dimension Inc.
Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson Switching Station Project
Contract No. LOG MSSP 2024-06-082-MGF

AFG-LOG-007.F01 Rev. No. 0 Sheet 9 of 14 Q

FERNANDO MARTIN Y. ROXAS
President and CEO

bond shall have been posted by the CONTRACTOR.

ARTICLE XV GUARANTEE BOND

To assure that any structural defects in the WORK shall be corrected by the CONTRACTOR, and to cover third party liabilities, the CONTRACTOR shall post a Guarantee Bond after the final acceptance of the Work. This is also a pre-requisite to the discharge and release to the CONTRACTOR of the retention money. The Guarantee Bond shall remain valid and effective for the period of one (1) year. The Guarantee Bond shall be posted before the release of the ten percent (10%) retention money provided for in the Bidding Documents. This shall be either in the form of Cash, Letter of Credit issued by a Universal or Commercial Bank equivalent to five percent (5%) of the total contract price, or Bank guarantee confirmed by Universal or Commercial bank equivalent to 10% of the total contract price or Surety Bond penal in nature and callable upon demand issued by any surety or insurance company duly certified by the Insurance Commission as authorized to issue such security. equivalent to thirty percent (30%) of the total contract price. CONTRACTOR shall be held responsible for Structural Defects for the number of years mentioned in the Bidding Documents.

ARTICLE XVI LIQUIDATED DAMAGES

Should CONTRACTOR fails to satisfactorily complete the WORK within the stipulated contract time, plus any time extension duly granted and is hereby in default under this Contract, CONTRACTOR shall pay liquidated damages to NPC for each day that the Completion Date is later than the intended Completion Date. The applicable liquidated damages is at least one-tenth (1/10) of one percent (1%) of the cost of the unperformed portion for every day of delay. NPC shall deduct liquidated damages from payments due to CONTRACTOR. Payment of liquidated damages shall not affect the CONTRACTOR's liabilities. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, NPC may rescind or terminate this Contract without prejudice to other course of action and remedies available under circumstances.

ARTICLE XVII WARRANTY CLAUSE

CONTRACTOR hereby warrants that it or its representative has not offered or paid, directly or indirectly, any government officer and NPC official or employee any consideration or commission for the Contract nor has it or its representative exerted or utilized any corrupt or unlawful influence to secure or solicit this Contract for any consideration or commission; that the CONTRACTOR will not subcontract any portion or portions of the scope of work of the Contract awarded to it to any official or employee of the NPC and to the relatives within the 3rd degree of

SIGNED IN THE PRESENCE OF:

| CONTRACTOR

CRISANTO V. HILARIO
President, Admin and Finance

Vice

FERNANDO MARTINY. ROXAS
President and CEO

NATIONAL POWER CORPORATION

consanguinity or affinity of NPC's officials who are directly and indirectly involved in Contract awards or project execution; and that if any commission is being paid to a private person; it shall disclose the name of said person and the amount being paid; and that any violation of this Warranty shall constitute sufficient ground for the rescission or cancellation of this Contract; or the reduction from the Contract Price of the consideration or commission paid without prejudice to the filing of any action for the violation of RA No. 3019 as amended (otherwise known as the Anti-Graft and Corrupt Practices Act) and/or other applicable laws against the CONTRACTOR and/or its representative and/or the erring NPC official(s) and employee(s).

ARTICLE XVIII VALIDITY CLAUSE

If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

ARTICLE XIX VENUE OF ACTION

The parties hereto agree that the venue of action for any cause or causes of action which may arise in connection with this Contract, after failure to settle the same amicably, shall be exclusively in the proper courts of Quezon City.

Vice President, Admin & Finance (NPC)

FUNDS AVAILABLE

Sr. Dept. Manager, Finance

CERTIFIED FUNDS AVAILABLE
PERIOD
JOB ORDER
JULY 1300A13
SOST CENTER
AMOUNT
PLOS 840, 314.51

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.

ACKNOWLEDGEMENT

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Doc. No. 15; Page No. 4; Book No. 5; Series of 2024. Notary Public
Until December 31, 2024
IBP Lifetime No.:_____
PTR No.: _____

ATTY. RODOLFO M. DE GUZMAN, Jr.
Notary Public for Quezon City
Commission No. NP-339(2023-2024)
Commission Expires on 31 December 20.
Roll No. 44291
IBP No. 307797; 01/31/2023; Today

IBP No. 307797; 01/31/2023; Tarlac PTR No. 5681363; 01/12/2024; Quezon Cit, MCLE No. VII-0016459; 4/27/2022; Pasig City 4th Floor Gabriel Y. Itchon Building Senator Defensor-Santiago Avenue (formerly BIR Road) Comer Quezon Avenue, Diliman Quezon City

Contract between NPC and Power Dimension Inc.
Supply, Delivery, Construction, Installation, Testing and Commissioning of 69kV Uson
Switching Station Project
Contract No. LOG MSSP 2024-06-082-MGF

AFG-LOG-007.F01 Rev. No. 0 Sheet 13 of 14

